



Costa Mesa Sanitary District 2011-12 Compensation Summaries

BOARD OF DIRECTORS

- **Daily per diem** – Each Board member receives \$221 per day of service, which is not to exceed a total of 6 days per calendar month.
- **Costa Mesa Sanitary District Board members receive no pension.**
- **On November 30, 2011, the Board of Directors approved enrolling in the District's health insurance plan. Directors are responsible for paying the employee share of premium costs. District is responsible for paying the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum. One Director (Director Ferryman) is currently enrolled in the District's health insurance plan. The total annual cost to the District for Fiscal Year 2011-12 was \$672.00.**
- **To be eligible to participate in the District's health insurance plan, directors must enroll in a non-PERS (pension) retirement plan. The District contributes \$1.00 a month per Director to enroll in the Districts deferred compensation plan (457 (b)). The total annual cost to the District is \$60.00.**
- **Board members receive no car allowance, cell phone allowance, life insurance, vacation and/or sick leave payouts.**
- **Board members have received no loans from the Costa Mesa Sanitary District.**
- **CMSD does pay a small premium for Board member's social security and Medicare cost.**

EMPLOYEES

On July 1, 2011, District employees received an automatic salary adjustment equivalent to the February 10 to February 11 Consumer Price Index (CPI) of 2.27%. The general manager did not receive an automatic salary adjustment. Click [here](#) to download employee's actual compensation for Fiscal Year 2011-12. The total compensation (column L in actual compensation disclosure spreadsheet) is taxable income. It does not include Cafeteria Plan benefits if an employee's total benefit cost is at or exceeds his/her allocation.

Click [here](#) to download the General Manager's contract. On February 23, 2012, the Board of Directors approved a 5% raise to the General Manager's annual salary for achieving most of his performance goals and for achieving the District's 2011 Accomplishments. Click [here](#) to download the District's 2011 Accomplishments. The salary stipulated in the general manager's

contract is on a calendar year while the salary indicated in the actual compensation disclosure spreadsheet is on a fiscal year. CMSD's budget is on a fiscal year.

The District contracts out for engineering, inspections, legal counsel and treasurer services.

Retirement – All full-time employees participate in CalPERS retirement upon hire. On August 25, 2011, the Board of Directors adopted a two tier retirement plan. New employees will receive a benefit formula of 2% at 60 while current employees remain on the existing formula of 2% at 55. **The FY 2011-12 employer contribution to fund Tier 1 (2% @ 55) was 11.088%, with CMSD also paying 100 percent of each employee's 7% contribution. The FY 2011-12 employer contribution to fund Tier 2 (2% @ 60) was 8.552% and the employees paid 100 percent of their 7% contribution.** Nearly half of District full time employees are enrolled in the Tier 2 Retirement Plan.

Retirement Health Savings - Retirement health savings is a program that helps employees pay for increase costs in healthcare premiums and prescription drugs when they retire. Employees contribute 1% of their gross income to this program and the District matches the contribution by paying 1% of employee's gross income to the program. The annual cost to this benefit is \$10,000

Cafeteria Plan Benefits – Full time employees currently receive a monthly "Flex Credit" allocation of \$799 per employee or \$1,199 per employee with families (two or more dependents) to be used towards health benefits including medical, dental, vision, and optional life, accidental death and dismemberment and long term disability insurance plans. If an employee's total benefit cost exceeds his/her allocation the employee must pay the difference from his/her salary.

Deferred Compensation 457(b) Plan – CMSD offers a 457(b) deferred compensation plan to all employees, but makes no matching contributions. The plan is strictly voluntary. Employees do have the option of depositing the balance of their cafeteria plan allocation into the 457(b) plan. Or, an employee can opt out of CMSD's cafeteria plan (after demonstrating he/she is enrolled in another healthcare plan) and deposit the monthly allocation into the deferred compensation plan. *4 CMSD employees have chosen to opt out of the District's cafeteria plan.*

Cell Phone Allowance – The general manager, administrative services manager, office manager/clerk of the District, maintenance supervisor, all maintenance workers and the enforcement officer receives an annual cell phone allowance of \$960.

Maximum Vacation Accrual

- 1 – 2 Years of Service - 92 hours per year
- 3 – 4 Years of Service - 116 hours per year
- 5 – 9 Years of Service - 140 hours per year

- 10 – 14 Years of Service - 164 hours per year
- 15+ Years of Service - 188 hours per year

The maximum hours of vacation an employee can accrue is 376 hours. An employee can cash out up to 80 hours of vacation a year if he/she has a minimum balance of 80 accrued vacation hours after the cash out.

Floating Holidays - 16 hours per year

No floating holiday balances can be rolled over to be accrued in the proceeding years. Floating holiday balances are automatically cashed out to employees by June 30th of every year as vacation pay.

Sick Leave - Each employee can accumulate a maximum of 480 hours in his/her primary sick leave bank. When an employee reaches the maximum in his/her primary sick leave bank a secondary sick leave bank is established, which has no maximum accrual. If an employee has at least 20 years of continued service he/she can cash-out half of the accrued sick leave in his/her primary sick leave bank. The maximum an employee can cash out is 240 hours. As an option, instead of cashing out half of the primary sick leave bank, employees can choose to receive service credit towards retirement for the full accrued value for both primary and secondary sick leave banks.

Standby Pay - The District will compensate employees who are required by the District to respond to a call for service, which is received after normal working hours within a required response time. For each day on standby duty, employee will be paid a flat rate of Fifty Dollars (\$50.00) per day. If the employee is called for advice or called out during the standby period, the employee receives "Phone Advice Pay or Call Out Pay" in addition to Standby Pay.

Standby personnel handling incidents by the phone during a standby period will be paid at his/her regular hourly rate of pay for a minimum of one (1) hour for each hour he/she is required to be on the phone to troubleshoot or otherwise provide phone advice. If standby personnel are "called out" during a standby period, they will be compensated in accordance with overtime for the hours worked during the "call out," with the clock starting at the time of the call out and terminating upon clock out.

Vehicle - The Maintenance Supervisor is the only employee in the District that is allowed to take a District vehicle home. Time is of the essence to ensure the environment is not contaminated when there is a report of a sewer overflow. Because the supervisor is a Costa Mesa resident he can respond quickly to prevent sewage from entering storm drains and eventually into our waterways by having a District truck parked in front of his home during after hours. The truck is equipped with sandbags, a trailer hitch, and traffic cones to

handle sewer overflows. The supervisor is not allowed to drive the District vehicle out of District boundaries during afterhours and/or weekends.

Loans - No employees have received any loans from the District.

Summary - Total actual personnel costs (\$1,279,044), including benefits (retirement & cafeteria plan) represents **14.17%** of actual **\$9,021,880** maintenance & operating budget for Fiscal Year 2011-12. Reports have shown that the average local government in California consumes 54% of their total budgets on personnel costs.

(Source: CIV FI at <http://civfi.com/2011/02/17/how-much-of-california%E2%80%99s-state-and-local-budgets-are-personnel-costs/>)